

ASSEMBLY BILL

No. 624

Introduced by Assembly Member Montanez

February 17, 2005

An act to amend Section 12693.41 of, and to add Section 12693.701 to, the Insurance Code, and to amend Section 14011.7 of, and to add Section 14005.42 to, the Welfare and Institutions Code, relating to child health.

LEGISLATIVE COUNSEL'S DIGEST

AB 624, as introduced, Montanez. Medi-Cal program: Healthy Families Program: Child Health and Disability Prevention (CHDP) program.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services and under which qualified low-income persons receive health care benefits.

Existing law establishes the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health services to an eligible person.

Existing law requires the department and the board to implement a program for preenrollment of children into the Medi-Cal program and the Healthy Families Program.

Existing law establishes the Child Health and Disability Program (CHDP), administered by the department, to provide early and periodic assessments of the health status of children.

This bill would require the department and the board to deem to have met the income documentation requirements for participation in the Healthy Families Program and the Medi-Cal program any child who meets the income eligibility requirements for participation in the CHDP program.

Under existing law, benefits under the Medi-Cal program provided to an individual pursuant to a preliminary determination end, without the necessity for any further review or determination by the department, on or before the last day of the month following the month in which the preliminary determination was made, unless an application for medical assistance is filed on or before that date. If an application for medical assistance is filed before this deadline, preliminary benefits continue until the regular eligibility determination based on the application has been completed.

Existing law requires the department to develop an electronic application to serve as the application for preenrollment into the Medi-Cal program or the Healthy Families Program and to also serve as an application for the CHDP program.

This bill would require, by July 1, 2006, the department to modify the electronic preenrollment application process to additionally serve as an application for ongoing medical assistance for purposes of continuing to receive Medi-Cal benefits after termination of benefits received pursuant to a preliminary determination.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12693.41 of the Insurance Code is
2 amended to read:
3 12693.41. (a) The board shall consult and coordinate with the
4 State Department of Health Services in implementing a
5 preenrollment program into the Healthy Families Program or the
6 Medi-Cal program pursuant to subdivision (b) of Section
7 14011.7 of the Welfare and Institutions Code, *or a program for*
8 *ongoing medical assistance within the meaning of subdivision (a)*
9 *of Section 14011.8 of the Welfare and Institutions Code.* The
10 board shall accept the followup application provided for in
11 Section 14011.7 of the Welfare and Institutions Code as an
12 application for the Healthy Families Program. Preenrollment *or*
13 *ongoing medical assistance* shall be administered by the State
14 Department of Health Services to provide full-scope benefits
15 pursuant to Medi-Cal program requirements, at no cost to the
16 applicant.

(b) The board may use the state fiscal intermediary for medicaid to process the eligibility determinations and payments required pursuant to Section 14011.7 of the Welfare and Institutions Code.

(c) The board shall be exempt from the requirements of Chapter 7 (commencing with Section 11700) of Division 3 of Title 2 of the Government Code and Chapter 3 (commencing with Section 12100) of Part 2 of Division 2 of the Public Contract Code as those requirements apply to the use of processing services by the state fiscal intermediary.

(d) The board may adopt emergency regulations to implement preenrollment into the Healthy Families Program or the Medi-Cal program pursuant to Section 14011.7 of the Welfare and Institutions Code, *or ongoing medical assistance within the meaning of subdivision (a) of Section 14011.8 of the Welfare and Institutions Code*. The emergency regulations shall include, but not be limited to, regulations that implement any changes in rules relating to eligibility, enrollment, and disenrollment in the programs pursuant to Sections 12693.45 and 12693.70. The initial adoption of emergency regulations and one readoption of the initial regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, and general welfare. Initial emergency regulations and the first readoption of those regulations shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and one readoption of those regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations and each shall remain in effect for no more than 180 days.

(e) This section shall become operative on April 1, 2003.

SEC. 2. Section 12693.701 is added to the Insurance Code, to read:

12693.701. (a) Notwithstanding any other law, the board shall deem to have met the income documentation requirements for participation in the Healthy Families Program any child who meets the income eligibility requirements for participation in the Child Health and Disability Prevention (CHDP) program pursuant to Article 6 (commencing with Section 124025) of

1 Chapter 3 of Part 2 of Division 106 of the Health and Safety
2 Code.

3 (b) The board shall seek approval of any amendments to the
4 state plan necessary to implement this section, for purposes of
5 funding under Title XXI of the Social Security Act (42 U.S.C.
6 Sec. 1397aa et seq.). Notwithstanding any other law, this section
7 shall be implemented only to the extent that federal financial
8 participation is available.

9 SEC. 3. Section 14005.42 is added to the Welfare and
10 Institutions Code, to read:

11 14005.42. (a) Notwithstanding any other law, the department
12 shall deem to have met the income documentation requirements
13 for participation in the Medi-Cal program, without share of cost,
14 any child who meets the income eligibility requirements for
15 participation in the Child Health and Disability Prevention
16 (CHDP) program pursuant to Article 6 (commencing with
17 Section 124025) of Chapter 3 of Part 2 of Division 106 of the
18 Health and Safety Code.

19 (b) The department shall seek approval of any amendments to
20 the state plan necessary to implement this section, for purposes of
21 funding under Title XIX of the Social Security Act (42 U.S.C.
22 Sec. 1396 et seq.). Notwithstanding any other law, this section
23 shall be implemented only to the extent that federal financial
24 participation is available.

25 SEC. 4. Section 14011.7 of the Welfare and Institutions Code
26 is amended to read:

27 14011.7. (a) To the extent allowed under federal law and
28 only if federal financial participation is available, the department
29 shall exercise the option provided in Section 1396r-1a of Title 42
30 of the United States Code and the Managed Risk Medical
31 Insurance Board shall exercise the option provided in Section
32 1397gg(e)(1)(D) of Title 42 of the United States Code to
33 implement a program for preenrollment of children into the
34 Medi-Cal program or the Healthy Families Program. Upon the
35 exercise of both of the federal options described in this
36 subdivision, the department shall implement and administer a
37 program of preenrollment of children into the Medi-Cal program
38 or the Healthy Families Program.

39 (b) (1) Before July 1, 2003, the department shall develop an
40 electronic application to serve as the application for

1 preenrollment into the Medi-Cal program or the Healthy Families
2 Program *or for ongoing medical assistance within the meaning of*
3 *subdivision (a) of Section 14011.8*, and to also serve as an
4 application for the Child Health and Disability Prevention
5 (CHDP) program, to the extent allowed under federal law.

6 (2) The department may, at its option, also use the electronic
7 application developed pursuant to paragraph (1), as a means to
8 enroll newborns into the Medi-Cal program as is authorized
9 under Section 1396a(e)(4) of Title 42 of the United States Code.

10 (3) *By July 1, 2006, the department shall use the electronic*
11 *application form developed pursuant to paragraph (1) as a*
12 *means for an individual, at the individual's option, to*
13 *simultaneously file an application for ongoing medical assistance*
14 *within the meaning of subdivision (a) of Section 14011.8.*

15 (c) (1) The department may designate, as necessary, those
16 CHDP program providers described in paragraphs (1) to (5),
17 inclusive, of subdivision (g) of Section 124030 of the Health and
18 Safety Code as qualified entities who are authorized to determine
19 eligibility for the CHDP program ~~and~~, for preenrollment into
20 either the Medi-Cal program or the Healthy Families Program, *or*
21 *for ongoing medical assistance* as authorized under this section.

22 (2) The CHDP provider shall assist the parent or guardian of
23 the child seeking eligibility for the CHDP program and for
24 preenrollment into the Medi-Cal program or the Healthy Families
25 Program in completing the electronic application.

26 (d) The electronic application developed pursuant to
27 subdivision (b) may only be filed through the CHDP program
28 when the child is in need of CHDP program services in
29 accordance with the periodicity schedule used by the CHDP
30 program.

31 (e) (1) The electronic application developed pursuant to
32 subdivision (b) shall request all information necessary for a
33 CHDP provider to make an immediate determination as to
34 whether a child meets the eligibility requirements for CHDP and
35 for preenrollment into either the Medi-Cal program or the
36 Healthy Families Program pursuant to the federal options
37 described in Section 1396r-1a or 1397gg(e)(1)(D) of Title 42 of
38 the United States Code.

39 (2) (A) If the electronic application indicates that the child is
40 seeking eligibility for either no cost full-scope Medi-Cal

1 benefits or enrollment in the Healthy Families Program, the
2 department shall mail to the child's parent or guardian a followup
3 application for Medi-Cal program eligibility or enrollment in the
4 Healthy Families Program. The parent or guardian of the child
5 shall be advised to complete and submit to the appropriate entity
6 the followup application.

7 (B) The followup application, at a minimum, shall include all
8 notices and forms necessary for both a Medi-Cal program and a
9 Healthy Families Program eligibility determination under state
10 and federal law, including, but not limited to, any information
11 and documentation that is required for the joint application
12 package described in Section 14011.1.

13 (C) The date of application for the Medi-Cal program or the
14 Healthy Families Program is the date the completed followup
15 application is submitted with the appropriate entity by the parent
16 or guardian.

17 (D) *The application and followup procedures, if any are*
18 *necessary, shall be as simple as permitted by federal law to the*
19 *extent federal financial participation is available.*

20 (3) Upon making a determination pursuant to paragraph (1)
21 that a child is eligible, the CHDP provider shall inform the
22 child's parent or guardian of both of the following:

23 (A) That the child has been determined to be eligible for
24 services under the CHDP program and, if applicable, eligible for
25 preenrollment into either the Medi-Cal program or the Healthy
26 Families Program, *or for ongoing medical assistance within the*
27 *meaning of subdivision (a) of Section 14011.8.*

28 (B) That if the child has been determined to be eligible for
29 preenrollment into either the Medi-Cal program or the Healthy
30 Families Program, the period of preenrollment eligibility will end
31 on the last day of the month following the month in which the
32 determination of preenrollment eligibility is made, unless the
33 parent or guardian completes and returns to the appropriate entity
34 the followup application described in paragraph (2) on or before
35 that date.

36 (4) If the followup application described in paragraph (2) is
37 submitted on or before the last day of the month following the
38 month in which a determination is made that the child is eligible
39 for preenrollment into either the Medi-Cal program or the
40 Healthy Families Program, the period of preenrollment eligibility

1 shall continue until the completion of the determination process
2 for the applicable program or programs.

3 (f) The scope and delivery of benefits provided to a child who
4 is preenrolled for the Healthy Families Program pursuant to this
5 section shall be identical to the scope and delivery of benefits
6 received by a child who is preenrolled for the Medi-Cal program
7 pursuant to this section.

8 (g) The department and the Managed Risk Medical Insurance
9 Board shall seek approval of any amendments to the state plan,
10 necessary to implement this section, for purposes of funding
11 under Title XIX (42 U.S.C. *Sec.* 1396 et seq.) and Title XXI (42
12 U.S.C. *Sec.* 1397aa et seq.) of the Social Security Act.
13 Notwithstanding any other provision of law and only when all
14 necessary federal approvals have been obtained, this section shall
15 be implemented only to the extent federal financial participation
16 is available.

17 (h) Upon the implementation of this section, this section shall
18 control in the event of a conflict with any provision of Article 6
19 (commencing with Section 124025) of Chapter 3 of Part 2 of
20 Division 106 of the Health and Safety Code governing the Child
21 Health and Disability Prevention program.

22 (i) To implement this section, the department may contract
23 with public or private entities, or utilize existing health care
24 service provider enrollment and payment mechanisms, including
25 the Medi-Cal program's fiscal intermediary, only if services
26 provided under the program are specifically identified and
27 reimbursed in a manner that appropriately claims federal
28 financial reimbursement. Contracts, including the Medi-Cal
29 fiscal intermediary contract for the Child Health and Disability
30 Prevention Program, including any contract amendment, any
31 system change pursuant to a change order, and any project or
32 systems development notice shall be exempt from Part 2
33 (commencing with Section 10100) of Division 2 of the Public
34 Contract Code, ~~Chapter 7 (commencing with Section 11700) of~~
35 ~~Part 1 of Division 3 of Title 2 of the Government Code, Section~~
36 ~~19130 of the Government Code, and any policies, procedures, or~~
37 ~~regulations authorized by these laws.~~

38 (j) Notwithstanding Chapter 3.5 (commencing with Section
39 11340) of Part 1 of Division 3 of Title 2 of the Government
40 Code, the department shall implement this section by means of

1 all-county letters or similar instructions, without taking any
2 further regulatory action. Thereafter, the department shall adopt
3 regulations, as necessary, to implement this section in accordance
4 with the requirements of Chapter 3.5 (commencing with Section
5 11340) of Part 1 of Division 3 of Title 2 of the Government
6 Code.

7 (k) Notwithstanding subdivision (g), in no event shall this
8 section be implemented before April 1, 2003.

O